

Nixon Nephew Is Believed A Witness at Vesco Jury

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By ROBERT J. COLE

A man bearing a striking resemblance to Donald F. Nixon Jr., 26-year-old nephew of President Nixon, was understood to have testified yesterday before a Federal grand jury here on what he knows about the activities of Roberto L. Vesco.

Mr. Vesco is the New Jersey financier who secretly gave the Nixon campaign chest \$200,000 in cash in April, 1972. The funds were delivered on April 10, three days after a new Federal law had gone into effect requiring that such contributions be made public.

The young executive, who is a personal aide to Mr. Vesco, is not known to have had any connection with the secret transfer of the cash, although Edward Nixon, the president's brother, acted on Mr. Vesco's behalf at the time to verify jury in downtown Manhattan to be delivered in cash to Maurice H. Stans, chairman of the Finance Committee to Re-elect the President.

The report that Donald Nixon had appeared before the grand jury was spread after James W. Rayhill, executive assistant to Whitney North Seymour Jr., United States Attorney in charge of the criminal investigation into Mr. Vesco's activities, asked a reporter to leave the sixth floor of the United States Court House, where the grand jury proceedings are under way.

Mr. Nixon was seen leaving the courthouse with Mr. Rayhill through a basement subway entrance. The tall, thin man turned to face a reporter who addressed him by name, but he did not smile or speak. Mr. Rayhill replied "no comment" several times in response to questions about Mr. Nixon.

In accordance with standard procedure of the United States Attorney's Office, Mr. Rayhill refused to confirm or deny that the man who accompanied him was Mr. Nixon.

In a similar incident last week, when Attorney General John N. Mitchell testified before the grand jury, reporters were told that if they would leave the floor outside the grand jury room, Mr. Mitchell would leave the courthouse by the front door, which he then did.

The Federal grand jury is attempting to determine whether Mr. Vesco made the secret contribution—in addition to another \$50,000 made publicly—in exchange for special favors from the Government regarding

an investigation into alleged stock market violations. It has also questioned Mr. Stans and Harry Sears, a prominent New Jersey Republican and close friend of Mr. Mitchell's.

The investigation, which lasted a year and a half, resulted in a massive civil suit filed last November against Mr. Vesco and 41 others. It charged that they had looted \$224-million from four mutual funds managed by Investors Overseas Services, Ltd., the financial giant founded in Switzerland by Bernard Cornfield.

Mr. Vesco had been board chairman of both I.O.S. and the International Controls Corporation of Fairfield, N.J., an electronics company.

In testimony before the Securities and Exchange Commission, Mr. Sears said that Mr. Vesco had originally wanted to donate \$500,000 to the Nixon campaign but was convinced by Mr. Sears that \$250,000 would be more appropriate. The money was returned to Mr. Vesco last January.

Mr. Sears also testified that he, together with Laurance Richardson Jr., former president of International Controls, had personally delivered the money in cash to Mr. Stans at his office in Washington. Ralph Dodd, another former International Controls officer, is known to have transported the cash in a briefcase from a New York bank to Mr. Vesco's New Jersey office.

Although Mr. Sears said in his testimony that there had been "no quid pro quo" in connection with the donation, he testified that Mr. Mitchell had interceded in Mr. Vesco's behalf on at least two occasions—once to obtain Mr. Vesco's release from a Swiss jail where he had spent the night on an unrelated stockholder's complaint, and once to arrange a meeting with William J. Casey, then chairman of the S. E. C.

Later Published reports said that Mr. Mitchell had also tried to help Mr. Vesco take over a financial institution in Beirut, Lebanon, known as Intra Bank.

Meanwhile, because Mr. Vesco has refused to accept a subpoena delivered to him in Nassau, the Bahamas, calling for him to testify before the grand jury, Mr. Seymour has asked Judge Edmund L. Palmieri in United States District Court to hold Mr. Vesco in criminal contempt. A hearing before Judge Palmieri is set for 4 P.M. today.